

**GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA**

UNSTARRED QUESTION NO:3766

ANSWERED ON:17.04.2008

PARADEEP REFINERY CUM PETROCHEMICALS PROJECT

Tripathy Shri Braja Kishore

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether State Government of Orissa has requested the Union Government and Indian Oil Corporation for completion of Paradeep Refinery-cum-Petrochemicals projects by 2008-09;

(b) if so, the details in this regard;

(c) whether the Union Government has taken any action to complete the project by 2008-09;and

(d) if so, the details thereof ?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS(SHRI DINSHA PATEL)

(a) to (d) : A Memorandum of Understanding (MOU) was signed between Orissa Government and Indian Oil Corporation Limited (IOCL) on 16.2.2004 for setting up of 9 million metric tonnes per annum (MMTPA) capacity grass roots refinery at Paradip by 2009-10. It was also envisaged in the MOU that if favourable market conditions emerge in the country allowing higher level of domestic sale of products as compared to earlier estimate, IOCL would endeavour to complete the project in 2008-09.

To improve the economic viability of the project, feasibility of an integrated refinery- cum-petrochemical complex at Paradip as against stand-alone refinery as planned earlier was examined alongwith review of refining capacity. Based on the Detailed Feasibility Report (DFR), Board of Directors of IOCL in its meeting held on 25.3.2006 accorded in principle approval for setting up a 15 MMTPA refinery integrated with petrochemicals at Paradip with completion schedule as October, 2011.